



The Hon Chris Hartcher

Minister for Resources and Energy

Special Minister of State

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MEDIA RELEASE

Wednesday 22 May 2013

NSW GOVERNMENT IMPLEMENTING CHANGES TO CSG INDUSTRY COMPLIANCE AND ENFORCEMENT

The NSW Government is implementing stronger regulations governing the coal seam gas industry under legislation introduced into NSW Parliament today.

The *Petroleum (Onshore) Amendment Bill 2013* includes enforcement powers to ensure on-the-ground compliance with title conditions; introduces new offences and increases existing penalties for breaches of regulations governing exploration and production; and legislates rigorous standards to be met by the industry in its interactions with landholders.

Resources Minister Chris Hartcher said the amendments - initially announced in September - make sure resource companies are held responsible for any unauthorised activity and extends the powers of inspectors to enforce industry compliance.

“Coal seam gas is an essential energy source for NSW, and an important part of the future gas supply needs of consumers and business. However it is important that community concerns about potential impacts are addressed and clearer standards are established and adhered to,” Mr Hartcher said.

“The CSG industry recognises its obligation to work more effectively with local communities to build confidence, and the NSW Government continues to stress the need to develop a social licence with which to operate.

“These amendments address community concerns by increasing the powers of inspectors to ensure title conditions are being met, and further strengthens landholder rights to ensure our valuable land and water resources are protected in the development of a domestic CSG industry.”

The *Petroleum (Onshore) Amendment Bill 2013* will also enforce the Code of Practice for CSG Explorers, a landmark requirement that applies to licence holders to ensure strong standards are set for the gas industry during the exploration stage.

The Code sets minimum standards of conduct expected of licence holders, and provides landholders with a suite of new protections including compulsory payment of legal fees by gas companies when negotiating land access agreements. Currently companies are only obliged to pay for initial legal advice if this requirement is included as part of an access arrangement.

“The amendments will also allow for greater transparency and accountability through the early release of environmental data from the petroleum industry. This will include groundwater monitoring and environment impact statements conducted by gas companies,” Mr Hartcher said.

The newly created Office of Coal Seam Gas will have the power to issue directions to the industry on environmental and rehabilitation matters and conduct audits to ensure industry complies with the legislation.

“The NSW Government has implemented the most effective regulatory controls for the protection of our water, the environment and the community in Australia and the development of a domestic industry will occur in a tightly controlled environment,” Mr Hartcher said.